



China is a once in a lifetime opportunity and the opportunity is now. The importance of China's role in our state's economic growth has long been discussed around board rooms, business events and conferences. In this context the opportunity for tourism is perhaps one of the most significant, with the value of Chinese tourism in Australia estimated at over \$13 billion by 2020.

# GET READY FOR CHINA

It is time to ask ourselves if we are ready to embrace this opportunity. Do we understand the Chinese traveller? Can we attract them to our state? Once they are here, can we provide them with what they want? Do we have the right infrastructure, products and experiences in place to maximise the impact this market can have?

If we can answer 'yes' to all these questions then we will be poised to take advantage of a huge opportunity which could see an estimated 57,000 Chinese visitors contributing \$450 million to the South Australian economy by 2020.

## The opportunity

It is critical that we look at this opportunity in its broadest scope. Tourism provides an international shop window for our state. It has a flow on effect and touches every industry, business and community - from

the obvious tourism offerings to trade, education, business investments and real estate. If we look at every visitor to our state from that perspective, our view of what needs to be done changes dramatically. The opportunity then becomes about the future of our economy, creating jobs, sustaining local economies and giving future generations the opportunity to live and work in our beautiful state.

Every visitor to our state has the potential to be more than a tourist. Adelaide has been consistently ranked as one of the most livable cities in the world, South Australia is a great place to do business and our universities are highly rated as well. This is in addition to the strengths our state offers from a tourism perspective. All of these attributes make South Australia a destination that is great for a visit, for investment in real estate, trade and education.

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South Australia welcomed 34,000 visitors from China for the year ending March 2016 and is currently South Australia's number one tourism market by expenditure, spending \$211 million over this period, an increase of 34%. The average spend by a Chinese visitor is \$6,212 making them the highest spending visitor to South Australia.

The most significant development that can trigger growth of the Chinese market for South Australia is the recent announcement of direct flights between Adelaide and mainland China (specifically Guangzhou, one of the most populous regions) by China Southern Airlines from December this year. The service will generate an estimated \$23 million into South Australia's visitor economy, creating more than 135 jobs across the state. The trade and freight opportunity is estimated at \$22 million also creating additional jobs. This is an unprecedented opportunity and will help position our state as a gateway to Australia and also offers incredible trade opportunities. In 2014-15 alone, China and Australia exchanged two way trade worth \$150 billion.

The South Australian tourism industry needs to prepare itself to welcome these visitors to our state, and give them an experience that they will enjoy and one that they will be willing to recommend to their family and friends.

We understand the need to get this right, because there will be no second chances and the discerning Chinese visitor is not going to wait.



Cleland Wildlife Park



The Hahndorf Inn

That's why we are rolling out the Understanding China development project which is the result of a review of our visitor economy and involves the delivery of over 50 industry workshops and stakeholder meetings.

The project is all about helping to get industry willing, ready and able to cater for the growth in Chinese visitor numbers to South Australia and maximise the opportunity.

### Providing the Chinese traveller with what they want

So what exactly does the Chinese traveller want? Put simply, they want the complete Australian experience - everything we have on offer but in a short amount of time - it must be compact, but not diluted. The Chinese traveller is looking for authentic Australian experiences, including interactions with the locals and the lifestyle. They are also looking for something that will give them plenty of 'bragging rights' and photo opportunities that they can share on popular social media platforms like WeChat. There are opportunities for South Australian operators to have a presence on these platforms and promote our experiences and it is important that we consider these digital marketing opportunities.

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Shopping and gift buying is an important part of the holiday experience. Chinese visitors are always on the lookout for locally made products which they take as customary gifts for family and friends while on holiday.

Most importantly, the Chinese traveller needs assistance in how they can engage with the experiences on offer, not just a list of what they can do. Simple information that helps them understand how to make the most of their stay such as how much time to allocate to a certain activity are welcome. It is also about improving in areas like signage, more well-lit streets or considering the option of promoting their offering instead of the brand name of the business. For instance, "fresh seafood sold here", as opposed to "visit name of business".

Tourism operators looking to engage with the Chinese traveller may need to adjust their service offering for this market, but that doesn't mean operators should change everything they do or make everything Chinese. It is about customising offerings and getting some of the basics right, for example, offering shared platter options of food.

### Attracting the Chinese traveller to South Australia

South Australia has a lot to offer Chinese tourists, from cuddling koalas at Cleland, to sampling premium wine at Penfolds Magill Estate, to the already very popular Jurlique. It is our unique selling point of natural beauty, encompassing our food, wine and wildlife that the Chinese traveller wants.

While South Australia receives less of the first time visitor/large group business we do attract more of the repeat/visiting friends and relatives, business from all Asian markets including China. This is a good thing as it means Chinese travellers who come to South Australia are usually more experienced, want to engage with the product or experience on offer and tend to spend more - great news for tourism operators and the visitor economy.

### The \$450 million question - are we ready for China?

It's early days. There is still much to be done to make sure South Australia delivers as an international destination and our focus is on getting the messages of Adelaide and our regions to this target market. We are on our way and determined to get it right.

There are tourism operators who are already successfully catering to the Chinese market while others are just getting ready to embark on the journey. At the other end of the scale there are operators who are not looking to attract the Chinese market as Chinese visitor business is not for everyone, nor is it for everyone right now.

But countries like China do present a unique opportunity for our state that cannot be overstated. We are starting to understand the Chinese traveller, we can attract them to our state and we can provide them with what they want. I encourage all tourism operators to ask themselves if they want to cater to the Chinese market, and if so, to get involved. ■

*Rodney Harrex is the Chief Executive of the South Australian Tourism Commission.*

### To get ready for China visit [www.tourism.sa.gov.au](http://www.tourism.sa.gov.au)

Download our new report, Delivering Quality South Australian Experiences and Infrastructure for Chinese Visitors | Download our service delivery guidelines | Register for our Understanding China workshops | Get in touch with Leah Clarke - [leah.clarke@sa.gov.au](mailto:leah.clarke@sa.gov.au)

